

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1579**

January 21, 2020

**SUMMARY OF BILL:** Increases, from \$1,000 to \$1,250, the amount awarded for a Tennessee Middle College Scholarship (TMCS) for each semester of full-time attendance.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures –**

**\$135,000/Lottery for Education Account/FY20-21**

**Exceeds \$135,000/Lottery for Education Account/FY21-22 and  
Subsequent Years**

**Other Fiscal Impact – Funding of \$135,000 in FY20-21, and recurring funding exceeding \$135,000 in FY21-22 and subsequent years, will not be available for transfer from the Lottery for Education Account to the Tennessee Promise Special Reserve Account.**

**Assumptions:**

- Pursuant to Tenn. Code Ann. § 49-4-909(d), the current TMCS award is \$1000 for full-time attendance each semester for a total of \$2,000 each year.
- Passage of this legislation will increase an eligible student's award amount from \$1,000 to \$1,250 per semester for a total of \$2,500 each year.
- The increase in state expenditures from the Lottery for Education Account (LFEA) for each respective student will be \$500 (\$2,500 new award - \$2,000 current award) per year.
- The current number of participants is 245. Based on information provided by the Tennessee Student Assistance Corporation, it is estimated that for FY20-21 there would be an increase of 10 percent more students who will receive the TMCS for an approximate total of 270 students (245 current students x 110%).
- The increase in state expenditures from the LFEA is estimated to be \$135,000 (\$500 x 270) in FY20-21.
- It is estimated that the number of students who will receive the TMCS will increase each year; therefore, the recurring increase in state expenditures from the LFEA is estimated to exceed \$135,000 in FY21-22 and subsequent years.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The script is cursive and fluid, with the first letters of each name being capitalized and prominent.

Krista Lee Carsner, Executive Director

/jpj